

Your Ref:

16 May 2013

Our File:



Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

I am writing to provide some additional information to clarify remarks by the Managing Director of Forestry Tasmania, Bob Gordon, at the public hearings in Canberra on the 7th of May 2013.

In response to questioning by Senator Milne (Transcript page 11) Mr Gordon said: *There is one incident where FT did not support a contractor's exit, but the exit was approved anyway. The director and owner of the company exited, but we have engaged the son of that contractor - it is a separate company and a separate director and it was in accordance with DAFF guidelines.*

Mr Gordon was referring to an ongoing commercial relationship between Forestry Tasmania and one of its contractors, Timber Marshalling Services, which is owned and operated by the son of the owner of the exiting contractor Aprin Pty Ltd. As Mr Gordon indicated to the Committee, Forestry Tasmania did not support the Aprin exit.

To avoid any confusion about the sequence of events, the Committee should note that Forestry Tasmania's contract with Timber Marshalling Services for log yard management commenced on the 7th of February 2011.

This was more than 10 months before Forestry Tasmania was first asked to provide factual information to assist Aprin with its exit application, 14 months before Forestry Tasmania was formally notified of Aprin's decision to accept an exit grant, and 16 months before the Deed of Termination was signed.

This timeline demonstrates that there is no factual basis for any suggestion of a link between the Aprin exit and the establishment of the contractual relationship between Forestry Tasmania and Timber Marshalling Services.

Yours sincerely

Steve Whiteley
Acting Chief Executive Officer

c.c. Acting Chair, Senator Colbeck

